lected and will be laid on the Table of the House.

Recommendations of Malhotra Committee

80. SHRI VIREN *J.* SHAH:
SHRI PRAMOD MAHAJAN:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken any final decision on the recommendations of the Malhotra Committee pertaining to disinvestment of Government equity in General Insurance Corporation (GIC) and Life Insurance Corporation of India (LIC);

(b) if so, what are the details in this regard;

(c) whether Government have decided to invite or propose to invite private sector entry into the insu-rance business;

(d) if so, what are the details in this regard;

(e) whether Government have received any applications from Indian and foreign companies for entry into the Insurance Business in the country, if so, what are the details thereof; and

(f) whether Government have consulted the GIC and LIC representatives in this regard and if so, what *is* their reaction thereto?

THE -MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

(e) and (f) Under the existing law, insurance business is the exclusive privilege, of the Life Insurance Corporation of India (LIC) and. the General Insurance Corporation of India (GIC) and its four subsidiary companies. There is no question of receiving any applications from any other Indian or foreign company to transact insurance business in the country.

Smuggling of Heroin

81. SHRI IQBAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) whehter Government are aware that heroin smuggling into India from foreign countries and particularly from Pakistan is on the increase;

(b) what is the quantity of heroin seized during the last two years; year-wise; and

(c) what concrete and effective steps Government have taken to stop the heroin smuggling in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Since smuggling of heroin is a clandestine activity, it cannot be said definitely whether it has increased in the country from foreign countries, particularly from Pakistan, or otherwise. However, the areas along Pakistan border in Punjab, Jammu & Kashmir, Rajasthan and coastal areas of Gujarat and Indo-Myanmar border are specially vulnerable to smuggling.

Ob) Quantity of heroin seized in the country during 1994 and 1993 is 966 kgs and 1088 kgs respectively.

(c) Instructions have - been issued to all the enforcement agencies to maintain the utmost vigil and step up enforcement efforts under the strin-rent provisions contained in NDPS Act. Training is being imoarted to officers to improve their effectivencess. Vehicles and communication equipments have been provided. A part of Indo-Pak - border has been-fenced

BSF and Coast Guards, who are deployed on land and coastal borders have been vested with the powers under the Customs Act to interdict narcotics drugs on the border in addition to the Central and State Government enforcement agencies empowered under the NDPS Act.

Loans given to rural and urban sectors

82. SHRI IQBAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) what are the details of loans/ advances given to the rural sector and urban sector of the country during the last five years;

(b) whether it is a fact that the loans given to rural sector are less in proportion to the deposits made by the sector in the banks; and

(c) if so, the reasons therefor and what steps are being taken by Gov ernment to give more loans to rural sector in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (A) Details of deposits and credit,of all scheduled commercial banks including Regional Rural Banks in respect of rural sector as compared to the total during the last five years ending March, 1990 to 1994 is given in the Annexure. *(See* Appendix 173, Annexure No. 4.)

(by and (c) The share of Rural Sector in total commercial banks' credit declined from 15.4 per cent as at the end of March, 1990 to 13.9 per cent as. at the end of March 1994, while the share, of deposits showed a marginal decline from 15.3 per cent to 15.0 per cent.during the same period.

The Reserve Bank of India (RBl) has Asked the commercial banks to formulate specific plan for the year 1994-95 for increasing credit deployment to agricultural sector. The Reserve Bank has also directed the commercial banks to comply with the stipulated 18 per cent lending to the agriculture under the priority sector. Besides, the cash credit system facilities have been extended to agricultural sector. The Reserve Bank has enhanced the existing credit line to NABARD for providing re-finance support to -the rural sector., A committee was set up under the Chairmanship of a Deputy Governor of the Reserve Bank of India to suggest measures to strengthen the Integrated Rural Development (IRD) Programme . The Committee has since submitted its interim report. These initiatives are expected to improve flow of credit to the rural sector.

New Bank Branches in Backward/Rand areas

83. SHRI IQBAL SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to open new branches of banks in the backward/rural areas of the country;

(b) if so, what are the details thereof, district-wise:

(c) if not, the reasons therefor; and

(d) what concrete steps" Govern ment propose to take to improve the performance of rural banks in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRIM. V. CHANDRASHEKHAR MURTHY): (a) to (c) Reserve Bank of India- (RBD has reported that under the branch expansion plan (1990-95) for-rural areas, it is left to the judgement- of individual banks to identify poten-